

ENTERED

January 29, 2025

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

Kal Freight, Inc., *et al.*Debtors.¹

Chapter 11

Case No.: 24-90614 (CML)

(Jointly Administered)

**STIPULATION AND ORDER FOR INTERIM RELIEF
FROM THE AUTOMATIC STAY FOR DAIMLER
TRUCK FINANCIAL SERVICES USA LLC**

Daimler Truck Financial Services USA LLC (“Daimler”) and the debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors” and, together with Daimler, the “Parties”) hereby enter into this stipulation in regard to the *Emergency Motion for an Order Granting Daimler Truck Financial Services USA LLC Relief from the Automatic Stay and Related Relief* [Docket No. 411] (the “Motion”),² concerning certain trucks/tractors and trailers comprising a portion of the Retained Collateral (as defined in the Motion).

RECITALS

WHEREAS the Motion is set for hearing before the Bankruptcy Court on February 11, 2025, at 1:00 p.m., prevailing Central Time, and seeks relief from the automatic stay with regard to, *inter alia*, all of the Retained Collateral;

WHEREAS the Debtors have determined that 50 units of the Retained Collateral (the “Idle Units”) are not being used and are not necessary for their reorganization;

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification numbers, are: Kal Freight Inc. (0249); Kal Aviation LLC (2600); Kal Partz Inc. (0139); Kal Trailers & Leasing Inc. (0840); and KVL Tires Inc. (0320). The location of the Debtors’ service address in these chapter 11 cases is 10156 Live Oak Ave., Fontana, CA 92335.

² Unless otherwise specifically defined herein, all capitalized terms and phrases used in this Order bear the meanings assigned in the Motion.

WHEREAS Daimler has requested that the Debtors promptly surrender possession of the Idle Units so that Daimler may dispose of them in accordance with the provisions of the relevant Loan Documents and the Uniform Commercial Code;

WHEREAS, pursuant to the Interim Order [Docket No. 52], the Debtors presently are providing adequate protection payments to Daimler of \$1,953,134 per month, payable in equal weekly installments, in exchange for the Debtors' use in their post-petition business operations of all the Retained Collateral, including the Idle Units (the "Adequate Protection Payments");

WHEREAS the Parties agree that, upon the Debtors' surrender of the Idle Units to Daimler, the Adequate Protection Payments should be reduced on a go-forward basis in proportion to the amount of said payments covering the Idle Units;

AND WHEREAS the Parties have agreed to limited, interim relief from the automatic stay in favor of Daimler in regard to the Motion;

NOW, THEREFORE, IT IS STIPULATED BY THE PARTIES AND HEREBY ORDERED AS FOLLOWS:

1. Upon entry of this Stipulation and Order, the Debtors shall surrender possession of the Idle Units identified in the following table to Daimler or its agents:

#	Year	Make	VIN
1	2023	Frght	3AKJHHDR9PSNV9671
2	2023	Frght	3AKJHHDR9PSNV9525
3	2023	Frght	3AKJHHDR0PSNV9669
4	2023	Frght	3AKJHHDR2PSNV9527
5	2023	Frght	3AKJHHDR8PSNV9516
6	2023	Frght	3AKJHHDR5PSNV9716
7	2022	Frght	3AKJHHDR6NSNF1620
8	2022	Frght	3AKJHHDR5NSNF1589
9	2023	Frght	3AKJHHDR7PSNV9670
10	2023	Frght	3AKJHHDRXPSNV9551
11	2023	Frght	3AKJHHDRXPSNV9713

#	Year	Make	VIN
12	2023	Frght	3AKJHHDR2PSNV9477
13	2022	Frght	3AKJHHDR5NSNF1575
14	2022	Frght	3AKJHHDR4NSNF1616
15	2022	Frght	3AKJHHDR1NSNF1623
16	2022	Frght	3AKJHHDR7NSNF1528
17	2022	Frght	1FUJHHDR7NLMZ7065
18	2023	Frght	3AKJHHDR4PSNV9772
19	2024	Frght	3AKJHHDR5PSUP4973
20	2023	Frght	3AKJHHDR9PSNV9444
21	2023	Frght	3AKJHHDR0PSNV9803
22	2023	Frght	3AKJHHDRXPSNV9825
23	2023	Frght	3AKJHHDRXPSNV9744
24	2023	Frght	3AKJHHDR5PSNV9800
25	2023	Frght	3AKJHHDR6PSNV9465
26	2023	Frght	3AKJHHDR4PSNV9819
27	2023	Frght	3AKJHHDR7PSNV9698
28	2024	Frght	3AKJHHDR3RSUT3177
29	2023	Frght	3AKJHHDR3PSNV9701
30	2023	Frght	3AKJHHDR9PSNV9766
31	2023	Frght	3AKJHHDR1PSNV9809
32	2023	Frght	3AKJHHDR6PSNV9434
33	2023	Frght	3AKJHHDR4PSNV9657
34	2023	Frght	3AKJHHDR0PSNV9459
35	2022	Frght	3AKJHHDR5NSNF1642
36	2023	Frght	3AKJHHDR5PSNV9456
37	2023	Frght	3AKJHHDR1PSNV9454
38	2023	Frght	3AKJHHDR4PSNV9447
39	2023	Frght	3AKJHHDR3PSNV9780
40	2023	Frght	3AKJHHDR6PSNV9658
41	2023	Frght	3AKJHHDRXPSNV9453
42	2023	Frght	3AKJHHDR9PSNV9430
43	2023	Frght	3AKJHHDR9PSNV9461
44	2023	Frght	3AKJHHDRXPSNV9646
45	2023	Frght	3AKJHHDR7PSNV9443
46	2022	Frght	3AKJHHDR2NSNF1615
47	2023	Frght	3AKJHHDR8PSUP4952
48	2023	Frght	3AKJHHDR4PSUP4950
49	2023	Frght	3AKJHHDR7PSUP4974
50	2023	Frght	3AKJHHDR5PSUP4956

2. The Debtors shall reasonably cooperate with Daimler's agents with regard to the physical removal of the Idle Units, the turnover of any maintenance records and titles pertaining thereto, and the disclosure of the location of the Idle Units.

3. Upon the Debtors' surrender of the Idle Units to Daimler, the Adequate Protection Payments shall be reduced on a go-forward basis by \$180,162.06 per month, such that the Adequate Protection Payments shall be \$1,772,971.94 per month, payable in equal weekly installments, for the Debtors' use in their post-petition business operations of all residual Retained Collateral consisting of approximately 493 trucks/tractors and 6 trailers.

4. Upon entry of this Stipulation and Order, the automatic stay under 11 U.S.C. § 362(a) shall be terminated with respect to the Idle Units to permit Daimler to take possession thereof and to exercise its rights and remedies therefor in accordance with applicable non-bankruptcy law and the Loan Documents.

5. The 14-day stay period set forth in Rule 4001(a)(4) of the Federal Rules of Bankruptcy Procedure is hereby waived and this Stipulation and Order shall be effective immediately upon its entry.

6. Nothing herein shall prejudice or diminish the other relief sought by Daimler pursuant to the Motion, nor prejudice or diminish the Debtors' objections and defenses thereto, and all such matters are reserved for determination by the Bankruptcy Court at the hearing on the Motion.

7. This Stipulation and Order shall not be modified, altered, amended or vacated without the written consent of all Parties hereto or by further order of the Bankruptcy Court.

8. The Bankruptcy Court shall retain, and the Parties consent to its jurisdiction to resolve, any disputes or controversies arising from this Stipulation and Order.

STIPULATED AND AGREED TO THIS 28th DAY OF JANUARY, 2025.

/s/ Stephen A. McCartin

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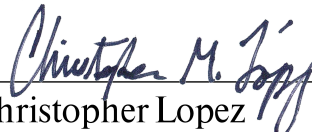
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Attorneys for the Debtors and the Debtors-in-Possession

IT IS SO ORDERED.

Signed: January 29, 2025



Christopher Lopez
United States Bankruptcy Judge